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USDOC FOR 532/OEA/M. NICKSON-D/K.GAINS
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL
USDOC FOR 4530/MAC/ANESA/OSA
ICE HQ FOR STRATEGIC INVESTIGATIONS
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: PHILIPS
ELECTRONICS INDIA LIMITED, BANGALORE, INDIA

REF: USDOC 04235

11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

12. On September 9, 2008, Export Control Officer (ECO) Paul Cushman and FSN Shailendra Srivastava conducted a Post-Shipment Verification (PSV) at Philips Electronics India Limited (PHILIPS) in Bangalore.

13. BIS requested a PSV at PHILIPS, located at Manyata Tech Park, Nagavara. PHILIPS was listed as the ultimate consignee for one arbitrary waveform generator with accessories manufactured by Tektronix Inc. of Beaverton, Oregon. Export License: D391202. ECCN: 3A002.

14. ECO and FSN Srivastava met with Mr. Srinivas Y.C., Program Manager, Mr. Arvind Narang, Senior Manager, Mr. Prakash Shetty, Logistical Department and Mr. P. Krishnaraja, Test Architect, PHILIPS. The meeting was held in a conference room at the Philips Innovation Campus.

15. PHILIPS representatives were familiar with BIS regulations. However, this was the first visit by BIS officials to their facility. Narang provided copies of the following documents relating to this transaction: Tektronix Customs Invoice and Packing List, PHILIPS Purchase Order, Tektronix Quotation, Tektronix Proforma Invoice, PHILIPS End-Use Statement, a copy of Export License D391202, Air Waybill, Arrival Notice, a receipt for duties paid to Indian Customs Authority, and an Import Certificate from the Government of India. Narang acknowledged that he understood, had complied with, and would continue to comply with the license conditions.

16. Narang stated that the original arbitrary waveform generator was defective and was returned to Tektronix for replacement. He provided copies of the following documents pertaining to the replacement unit: PHILIPS RE-Export Invoice and Packing List, Tektronix Letter, Air Waybills, Tektronix Invoice and Packing List.

17. Krishnaraja confirmed the stated end-use. He explained that this device is used for compliance testing of Philips products with High Definition Multimedia Interface (HDMI) features. HDMI is a consumer electronics standard used for digital audio and video communication between various entertainment components. The device is programmed to generate signals of varying strength and quality for system testing purposes.

18. After the meeting, the BIS team was given a tour of the PHILIPS facility. The ECO physically verified the arbitrary waveform generator's serial number as B010425, model AWG 7102. The equipment is maintained and utilized in the HDMI Authorized Testing Centre. Access to this section is controlled through a proximity card reader

system. A private security force is on duty at the facility 24/365.

¶9. ECO noticed three additional pieces of sophisticated equipment manufactured by Tektronix collocated with the AWG 7102. They were two digital serial analyzers and one data timing generator. When asked, Krishnaraja stated that these items were imported without a license on March 14, 2008. ECO had not been tasked to perform PSVs on these devices but decided to do so in order to determine whether they had been legally exported from the United States. Their serial numbers were recorded as B010699 (model DSA 71604), B020633 (model DSA 8200) and B020369 (model DTG 5334). Upon request, Narang provided copies of the following documents relating to these transactions: PHILIPS Purchase Order, Tektronix Invoice and Packing List, Air Waybill, and a receipt for duties paid to the Indian Customs Authority. Subsequent research revealed that the digital serial analyzers are actually high performance oscilloscopes. ECO later confirmed with the BIS Office of Enforcement Analysis that none of these three items required an export license.

¶10. Established in 1930, Philips Electronics India Limited, headquartered in the Netherlands, is a multi-national organization manufacturing consumer electronics, lighting, and medical equipment. The Philips Innovation Campus is a software development and testing center for Philips consumer lifestyle products with HDMI. The facility has approximately 1,000 employees.

¶11. Recommendation: At the time of this visit, Philips Electronics India Limited appeared to be a reliable recipient of controlled technology. The item on check was physically verified and was being used in a manner consistent with the Export Administration Regulations.
MULFORD